

NEW YORK STATE

PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

Proceeding on the Motion of the Commission
to Enable Community Choice Aggregation

Case 14-M-0224

PETITION FOR APPROVAL OF A MASTER IMPLEMENTATION PLAN

Dated: May 3, 2023

Background

On April 21, 2016, the New York State Public Service Commission (“Commission”) issued its Order Authorizing a Framework for Community Choice Aggregation Opt-out Program (the “CCA Order” or the “CCA Framework Order”)¹ which first established New York State’s CCA program. On January 19, 2023, the Commission issued its Order Modifying Community Choice Aggregation Programs And Establishing Further Process (the “January 19, 2023 CCA Order”), which instructed prospective CCA Administrators to continue to petition the Commission to become an Authorized CCA Administrator. The January 19, 2023 CCA Order also adopted the use of standardized templates and specific guidelines for CCA Administrator filings, including the forms and process to use in the filing of a Master Implementation Plan.

Local Power LLC

For 30 years, Local Power LLC has been developing the Community Choice Aggregation (CCA) energy model, now replicated across 1800 municipalities in the US. Headquartered 75 miles east of Albany, our founder co-authored the original Municipal Aggregation bill and law in Massachusetts in the mid-nineties, and created California’s Community Choice Aggregation model, a new version of community aggregation focused on renewable energy development in the early 2000s. With CCA laws adopted in roughly half the U.S. energy market, CCAs are providing electricity service to more than one in ten Americans. In 2021 Local Power LLC founder and president Paul Fenn received the American Solar Energy Society’s Leadership in Solar Policy and Market Transformation Award for “exceptional efforts and successes in initiating policies that have led directly to the Community Choice Aggregation (CCA) model and having revolutionary impact on community solar development.”

In 2002 Local Power authored the California CCA “2.0” law designed not only to purchase more renewable supply but to build new local renewable energy generation and install energy efficiency and conservation measures. Working extensively with California municipalities and state agencies to implement CCA programs from 2000 until 2013, Local Power LLC created the original municipally-adopted policies to implement the 2.0 law, including San Francisco’s first municipal “Solar Bond” or revenue bond authority enabling a CCA to finance local renewables and energy efficiency measures, as well as the landmark CCA 2.0 Local Ordinance, Implementation Plan and In-City Buildout

¹ Case 14-M-0224, Proceeding on Motion of the Commission to Enable Community Choice Aggregation Programs, Order Authorizing Framework for Community Choice Aggregation Opt Out Program (issued April 21, 2016) (CCA Framework Order).

Business Case.

Development of these 2.0 policies included program designs, regulatory compliance, data collection, plans, financial modeling, cost modeling, GIS data analysis, renewable resource surveys, and risk analysis. Local Power provided consultation and drafts of term sheets and Requests for Proposals (RFPs) for electricity supply, renewable energy development and energy efficiency measures for CCAs and municipalities. Partners included Los Alamos National Laboratory, the California Energy Commission, a state university, and three county governments in northern and central California. Created for the first handful of CCAs formed in the state, Local Power's CCA 2.0 model has rapidly grown, with a transformed California energy industry now serving 6M accounts (averaging three people per account) in 180 municipalities, with 11 Gigawatts of renewable energy facilities built or under construction, at a value of \$14B in private investment and \$5B in Solar Bonds.

Along the way Local Power has helped municipalities create new energy localization strategies where CCA is not an option, including California's first Community Solar program in 2005, assisting Boulder Colorado in negotiating its franchise agreement with its electricity utility in 2010, and advising Ann Arbor, Michigan in creating its Sustainable Energy Utility program in 2022.

Local Power LLC tracks CCA markets and best practices nationally. Between 2008 and 2019 Local Power LLC completed three commissioned national surveys to analyze renewable energy and energy efficiency programs of operational CCAs. Local Power LLC assists municipalities in CCA design, set up, and launch, providing strategic advice for municipal governments implementing decarbonization, energy localization, and behind-the-meter renewable energy or Distributed Energy Resource (DER) programs. Local Power has also conducted municipal performance audits of CCA programs to evaluate and incorporate best practices. Local Power LLC tracks renewable energy finance, municipal government processes, and state regulatory practices, and contributed substantially to the CCA regulations and state CCA programs in California, Massachusetts and New York. For nearly all of its projects, Local Power was the prime contractor managing multiple subcontractors, with both large cities and small towns, county governments, intermunicipal agencies and commissions.

Local Power LLC drafted a statewide CCA bill for New York in 2014. Following then-Governor Cuomo's subsequent Executive Order to directly authorize CCA in the state, Local Power LLC advised the President of the New York Public Service Commission (PSC) and Department of Public Service in 2015, and provided consultation to the New York State Energy Research and Development Authority on its CCA Toolkit for New York municipalities in 2016. Local Power was a member of the CCA Subgroup of the New York State Clean Energy Advisory Council's Voluntary Investment Working Group, which produced a 2017 report on existing barriers to DER voluntary investment by customers of CCAs in New York State.

Purpose of our Petition

The purpose of this petition is to request approval for Local Power LLC to serve as a CCA Administrator in New York.

In conjunction with a dozen east coast municipalities, including the City of Saratoga Springs, New York, Local Power LLC published the CCA 3.0 program design in 2020 to enable voluntary DER investment facilitation by CCAs, funded by the Urban Sustainability Directors Network. Following the publication of the report, Local Power LLC began working with New York municipalities to implement

the model. In 2022 Local Power LLC received a contract from the City of Ithaca, and subsequently signed a memorandum of understanding with the Town of Ithaca, to prepare a CCA 3.0 program, which is intended to be open for municipalities in the region to join. In 2022 Local Power LLC was retained by Mid-Hudson Energy Transition (MHET) to assist in developing its CCA Administrator program and in drafting its response to CCA Administrator RFPs, including MHET's successful bid to become the CCA Administrator for the City of Kingston.

Following decades as a consultant setting up CCA programs run by municipalities and nonprofit CCA administrators, Local Power LLC recognizes the need to demonstrate the CCA 3.0 business model for New York, and seeks to provide a CCA Administrator service that reflects our longstanding philosophy of municipal leadership, community engagement, and energy democracy.

Local Power LLC hereby submits a CCA Master Implementation Plan for the Commission's consideration.

Local Power LLC Will Comply with Commission Rules

Local Power LLC understands and hereby attests that if the Commission approves our Petition for Approval of a Master Implementation Plan, Local Power LLC is responsible for ensuring compliance with all CCA Program Rules, including those effective as of the January 19, 2023 CCA Order, all Commission requirements, and State, Local and Federal regulations.

Conclusion

In consideration of the above, Local Power LLC respectfully requests that the Commission approve our Master Implementation Plan.

Dated: May 3, 2023

Respectfully Submitted by



Julia Peters
Chief Operations Officer
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Haydenville, Massachusetts